

Ideology and the Co-operative Movement

Worker Co-operatives in the Tea Industry

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This paper documents the experience of the Saongaon workers co-operative in West Bengal and the Tachai workers co-operative in Tripura, both in the tea industry. The author stresses the broad democratic method of functioning which has encouraged workers' participation in the decision-making process. The changes in organisational structures and the evolution of formal and informal methods to prevent the concentration of power in a new bureaucracy are highlighted.

The co-operative movement has been recognised as one of the forces for improving the economic and social conditions of the backward sections of society. Co-operatives are institutions which are expected to promote self-management among the different sections of the people. However, there has been considerable discussion on whether cooperatives have their own ideologies or whether they are influenced by other ideologies. This paper attempts to examine the role of ideology in shaping co-operatives. We have taken cases of co-operatives in tea plantations to show how ideology plays an important role in the successful functioning of co-operatives. In a general sense ideology can be defined as the consciousness of a social group which determines its goals, means and forms of practical and political activities. Ideology also supplies the justification for various social, political, moral and aesthetic ideals of a group or of individuals.

Co-operation as a form of human organisation has been in existence since the beginning of civilisation. In a broad sense, the different types of exchange and reciprocal relations which existed in pre-industrial societies and which were crucial for survival of its members could be regarded as co-operative action. These types of co-operation are however different from what we now understand as the co-operative movement. The origins of co-operation as a formal movement can be traced to the first half of the nineteenth century in the philosophy of Robert Owen. The first co-operative was started by a handful of weavers in England in 1844 and was known as the Equitable

Pioneers of Rochdale. The basic principles governing the functioning of this cooperative were later adopted by the cooperative movement all over the world. These were, one vote for each member, sale at market prices and division of profits among shareholders on the basis of the extent of patronage.¹

Co-operatives in the present do not function merely as mutual benefit societies. They have in addition certain social obligations which are spelt out in the principles of cooperation. The commission on co-operative principles, appointed by the International Co-operative Alliance in 1964, noted in its report that “co-operation at its best aims at something beyond promotion of interests of the individual members ... Its object is rather to promote the progress and welfare of the humanity. It is this aim that makes a cooperative society something different from an ordinary economic enterprise and justifies its being tested, not simply from the standpoint of its business efficiency, but also from the standpoint of its contribution to the moral and social values which elevate human life above the merely material and animal”² This implies that there is a qualitative difference between the earlier forms of co-operation and the present cooperative societies. The earlier exchange relations were a result of the existing socioeconomic formations. These relations were not aimed at altering the economic relations in the society they operated in. On the contrary, they played a functional role and contributed towards perpetuating the system.

The co-operative movement on the other hand grew out of a need to change the existing society. The early co-operators such as the Rochdale Pioneers and Robert Owen in England, Herr Schulze and FW Raiffeinsen in Germany propagated the co-operative movement as an alternative to the exploitative nature of capitalist society in nineteenth century Europe. Co-operation for them was a vehicle through which capitalist exploitation could be replaced by an egalitarian and just society. They envisioned co-operatives not as bodies which were functional to their respective societies but as instruments for transforming their societies. In this way, the objectives of cooperatives differ not only from those of private enterprise but also from traditional forms of exchange and reciprocal relations.

¹ Hough, Eleanor, *The Co-operative Movement in India*, Oxford University Press, Calcutta 1966, p. 44.

² National Co-operative Union of India (NCUI), *Report of the Commission on Cooperative Principles* (Appointed by the International Co-operative Alliance, London), Delhi (date of publication not mentioned), p. 10.

PRINCIPLES OF CO-OPERATION

Keeping these objectives in mind, the International Co-operative Alliance has recognised six basic principles of cooperation. These are, voluntary membership, democratic administration, limited interest on share capital, equitable division of surplus, education and, mutual co-operation among co-operatives.³ Some of these principles deal with the business activities of co-operatives and are not very important for our present discussion. We shall restrict ourselves to those principles concerning participation and social change.

The principle of voluntary membership stipulates that any person who fulfills the basic requirements of the co-operative and who is willing to abide by its objectives should be allowed membership. The principle of democratic administration tries to ensure that all members have an effective say in the functioning of the co-operative. This is the most significant principle of cooperatives because it distinguishes them from other enterprises. The objectives of the co-operative movement do not limit themselves only to securing economic benefits for its members. The movement is also expected to inculcate a sense of participation by building democratic institutions of equal partners. It can be distinguished from joint stock companies by its principle of one vote for each member and not each share. Therefore, even if a member has more than one share he has only one vote. The attempt here is to ensure that control of the organisation does not lie in the hands of a few people who manage to corner a large number of shares. Thus, in principle the status of all members are equal and all have equal opportunities for participating in the decision-making process. The Commission on Co-operative Principles observed that democratisation is important because a cooperative “exists in order to place the common people in effective control of the mechanism of modern economic life (and) it must give the individual (only too often reduced to the role of a cog in that machine) a chance to express himself, a voice in the affairs and destinies of his co-operative and scope to exercise his own judgment”.⁴

Democratic control of a co-operative is not restricted to exercising one's franchise during elections. It is a continuous process which is expected to encourage all members of the co-operative to actively participate in its functioning. The social implications of these could be far-reaching. For developing countries like India, co-operatives can provide scope for increasing awareness of the backward sections of society, such as peasants, agricultural workers and industrial workers. These sections have for long

³*Ibid*, pp. 46–47.

⁴*Ibid*, p. 20.

been isolated from the decision-making process because of the belief that they are incapable of deciding what is good for themselves. Cooperatives, therefore, have the potential of institutionalising the democratic process whereby it becomes a continuous involvement of people in its management. They may be able to increase the self-confidence of their members by making them realise that they are capable of dealing with complex problems of management.

We have tried to analyse so far some of the principles of the co-operative movement which can help in promoting self-management among its members. One has to constantly scrutinise the functioning of co-operatives to understand whether these principles have any influence on their members and if not, how can they be made more relevant. For example, one can draw a line between ownership and control. Though a co-operative is formed on the principles of equality and joint ownership it can be often found that a small minority may have effective control of the organisation. In such cases, even if this minority is benevolent enough to look after the interests of all members, the majority is excluded from the decision-making process and thus the basic purpose of these co-operatives are defeated. One of the ways of overcoming this problem is to educate the members on the objectives of co-operation. Co-operative education could help members in understanding their rights and obligations and will increase their awareness. Education also helps in making members understand that cooperatives are different from other types of enterprises.

At the same time we must realise that the principles of co-operation have their own limitations. They do not help us in differentiating between the various types of cooperatives. All co-operatives are not the same as we can distinguish between the functioning of different co-operatives and differentiate them accordingly. There are several factors such as, leadership, political support, marketing, etc., which distinguish one cooperative from another. However, the most significant we feel is the ideological framework in which a co-operative operates. We shall try to show that this framework is necessary for attaining the basic objectives of a co-operative and even for its normal functioning. This aspect needs further elaboration because it is often implied that the co-operative movement has a common ideology which sets it apart from other social and political movements.

ROLE OF IDEOLOGY

The growth of co-operatives and their diversification into different fields of economic activity encouraged some cooperators to visualise societies where all activities would be governed through cooperatives. Such societies would function as Co-operative

Republics and would be formed through different stages of co-operative development starting with consumer cooperatives and later wholesale co-operatives and finally producer co-operatives.⁵ This idea of republics, which indicated sovereign states, was later modified to that of a Cooperative Commonwealth⁶ wherein cooperatives all over the world would strive to build a parallel socio-economic order through mutual help and co-operation. Others emphasised the emergence of a cooperative sector “complementary to, but exercising influence upon public and private sectors”.⁷

There are two basic presumptions in these views. Firstly, the co-operative movement has a single and distinct ideology and secondly, the movement is an end in itself and not a means for achieving some ends. This was quite different from the approaches of the earlier co-operators such as Owen and others. These people were idealists, and they viewed co-operatives as one of the means for achieving an egalitarian society and not an end in itself. The third view is that of the marxists who would be inclined to agree with the earlier co-operators insofar as the movement is not an end but would disagree with their methods of achieving these ends.

Ideological divisions become more pronounced while analysing the social role of producer co-operatives. Unlike consumer cooperatives which attempt to provide relief to consumers by making essential commodities available at fair prices, producer cooperatives by and large attempt to alter the existing nature of production relations. In this sense they are more radical. How they will perform this task and what type of society will be established are determined largely by ideology.

Idealist thinkers like Robert Owen believed that it was possible to build a new society with the help of working people’s associations, communes and co-operatives. There would be no exploitation or oppression in such a society and the transition would come through peaceful means and without class conflict.⁸ Karl Marx too wrote of the cooperative movement as “one of the transforming forces of the present society based upon class antagonism. Its great merit is to practically show that the present pauperising and despotic system of the *subordination of labour* to capital can be superseded by the republican and beneficent system of *the association of free and equal producers*.”⁹ Marx had made this observation in his instructions to delegate attending

⁵Dubashi, P R, ‘Strategy of Co-operative Development’, in *Co-operation: An Interdisciplinary Approach*, Vaikunth Mehta Institute of Co-operative Management, Pune, 1969, pp. 9–10.

⁶Gadgil, DR, *Towards a Co-operative Commonwealth*, Punjab University Publications Bureau, Chandigarh, 1961, pp. 2–3.

⁷NCUI, *op cit*, p. 10.

⁸Cole, GDH, *Robert Owen*, Ernest Benn, London, 1925.

⁹Marx, K and Engels, F, *Selected Works*, Vol II Progress Publishers, Moscow, 1976, p. 81 (emphasis in original).

the First Congress of the International Workingmen's Association which was held in Geneva in September 1866. At another place he stated, "We recommend to the workingmen to embark on *co-operative production* rather than in *co-operative stores*. The latter touch but the surface of the present economic system, the former attacks its groundwork"¹⁰

Obviously the objectives Marx had in mind while enunciating the merits of producer co-operatives were not the same as those of Owen. Marxists have been critical of Owen because of his idealist approach and his failure to consider class antagonisms. Lenin's criticism of Owen exemplifies the difference between the two approaches. He pointed out that the plans of the old cooperators were 'fantastic' because "they dreamed of peacefully remodelling contemporary society into socialism without taking into account fundamental questions as the class struggle, the capture of political power by the working class, the overthrow of the rule of the exploiting class. This is why we are right in regarding as entirely fantastic this 'co-operative' socialism, and even banal, the dream of transforming class enemies into class collaborators and class war into class peace (so-called class truce) by merely organising the population into co-operative societies."¹¹

The importance of the ideology in cooperation was elaborated by Lenin when he distinguished two lines of policy for cooperatives. These were the proletarian line and the petty bourgeois line. The former, according to him, concedes "recognition of the value of the co-operative societies as a weapon in (the class) struggle, as one of the subsidiary means, and a definition of the conditions under which the co-operative societies would really play such a part and not remain simple commercial enterprises"¹² The petty bourgeois line obscures "the question of the role of the co-operative societies in the class struggle of the proletariat, attaching to the co-operative societies an importance transcending this struggle ... defining the aims of the cooperative societies with general phrases that are applicable to even the bourgeois reformers ..."¹³

We can therefore see that the influence of ideology in determining the objectives of cooperatives is something which cannot be glossed over. Right from its formative stages the co-operative movement has been facing this problem, as the views of Owen and Marx indicate. The later co-operators tried to believe that the ideologies of capitalism and socialism or communism were not significant as the movement could sustain

¹⁰*Ibid.*, p. 82.

¹¹Lenin, VI, 'On Co-operation' in *The Land Question and the Fight for Freedom*, Progress Publishers, Moscow, 1975, p. 144.

¹²Lenin, VI, 'The Question of Co-operative Societies at the International Socialist Congress in Copenhagen' in *Collected Works*, Voi XVI, Progress Publishers, Moscow, 1966, p. 276.

¹³*Ibid.*

itself on its own ideology. However, the reality showed that the movement could not remain neutral, DG Karve who was the chairman of the Commission on Co-operative Principles makes this significant point in a lecture. He noted that reformulation of the principles of co-operation by the International Co-operative Alliance became necessary precisely because of the ideological issue. He observed that “till the establishment of a Socialist State in Russia, the cooperators of the world were not seriously divided on any ideological ground ... After the Bolshevik Revolution in Russia, the Russian co-operators who were already members of the International Alliance, continued to be present at the International Congresses of Co-operators. But, it was not always a very friendly gathering ... There was a feeling among international co-operators that the new pattern of society, the socialist one, was not quite compatible with the voluntary and autonomous form of cooperation ...”¹⁴ The co-operators of the ‘free world’ obviously believed that cooperation was an expression of their type of society. Naturally for them co-operatives were expressions of ‘free enterprise’ and a socialist state could not hope to have such co-operatives. According to Karve, the six principles of co-operation were formulated mainly to overcome this misconception. However, even though these have been accepted by all countries, the difference between socialist orientation and capitalist orientation of co-operatives have continued to grow. This becomes more prominent in the present context because of the differences in strategies of development in the developed capitalist countries and the newly liberated developing countries. Most of the latter have become sovereign during the postSecond World War period and some have adopted socialistic policies. These may not be conducive to those of the democracies in the west. The ideological orientation of cooperatives in these countries will be different from those of the developed capitalist countries. A Soviet social scientist, V Maslennikov has made the following observation which could to some extent summarise the situation. “Under capitalism, co-operation is entirely dependent on the dominant capitalist production relations and, at best helps to ease the material position of individual groups of working people combined into co-operatives, whereas in the developing countries, especially those with a socialist orientation, co-operatives are used ... for establishing a new type of production relations excluding oppression and exploitation.”¹⁵

At the micro level, while examining the functioning of co-operatives it becomes quite evident that ideology contributes to the success or failure of a co-operative to a large extent. We have taken the case of worker cooperatives to illustrate the point. In the following sections we shall examine the functioning of four such co-operatives in

¹⁴Karve, DG, Reformulation of Co-operative Principles’ in *NCUI, op cit.*

¹⁵Maslennikov, V, *The Co-operative Movement in Asia and Africa*, Progress Publishers, Moscow, 1983.

the tea industry. One of them is the Saongaon Workers' Co-operative in the Jalpaiguri district of West Bengal and the other three are in Tripura. These co-operatives have been formed in states which have or had (*viz*, Tripura) coalition governments led by the Communist Party of India (Marxist) and they have been promoted by communist trade unions. The co-operative in West Bengal was promoted by the All India Trade Union Congress (*AITUC*) which is ideologically close to the Communist Party of India and the ones in Tripura were promoted by the Centre of Indian Trade Unions (*CITU*) which is close to the CPI(M). The major difference is that the West Bengal government has given no support to the co-operative there whereas in Tripura, the co-operatives had the support of the Left Front government. Besides these four cooperatives, there are seven more in Tripura and one in Assam.

SAONGAON WORKERS' CO-OPERATIVE

The co-operative in West Bengal is known as the Saongaon Tea and Allied Plantation Workers' Co-operative Limited and comprises workers of Sonali Tea Estate. This plantation is in the Jalpaiguri district which is situated in the northern part of the state. It covers an area of approximately 1,200 acres of which a little less than five hundred acres is under tea. It has four hundred and ninety-eight workers, half of whom are women. All workers are tribals (mainly *Oraons*) from the Chotanagpur region of Bihar and most of their forefathers were brought to the tea growing areas as indentured labour. The two members of the clerical staff are Bengalis.

In September 1973, the management of the plantation decided that it was unable to run it any more due to its accumulated losses. It therefore abandoned it leaving the workers to their own fates. On September 23, 1974, the board of directors of the company passed a resolution handing over the plantation and its liabilities to its workers.

The workers tried their best to persuade the management to re-start the plantation, but to no avail. The condition of the plantation was deteriorating day by day and weeds and creepers started growing among the tea bushes. Since plucking of tea leaves had stopped, the current crop of leaves was past its prime and hence useless. The workers viewed all this with dismay because they realised that a ruined plantation would jeopardise their own existence. Finally, in the beginning of December, when no solution emerged, they decided that they would run the plantation on their own. Their trade union, the *AITUC*-affiliated Cha Bagan Workers' Union, and especially its general secretary, Chinmoy Ghosh, took the initiative in organising them in this new venture.

A nine-member committee comprising the general secretary of the union and senior workers was formed for supervising the work. The earlier crop had been ruined and by the time the workers took over, winter had set in and there was no possibility of a new crop. Tea plantations in this part of the country do not bear crops in winter and during this time the winter cultivation work, such as, pruning of the bushes, drainage and irrigation work, is done. The workers therefore had no income from the plantation during the first three months, and they all worked without pay. A few of them had tiny pieces of agricultural land, and they could get some food from there. Most workers subsisted on herbs and roots collected from the forest nearby. Malnutrition and starvation was widespread and a few workers died.

However, in spite of these difficulties, a majority of the workers continued with the winter cultivation work. Finally, in March, the following year (1974) the tea bushes bore their first crop, which would not have been possible had the plantation not been maintained during winter. The committee sold these leaves to the neighbouring tea plantations and the workers were now able to get a subsistence wage. Initially, these tea plantations took advantage of the workers' helplessness and offered low prices. However, after a month or so, when the workers were in a slightly better financial position, the committee was able to bargain for better prices. By May 1974, the workers got their regular wages because of the increased revenue.

The workers also took an unprecedented step of granting equal wages to male and female workers. Traditionally in the tea industry, wages of females were lower than those of males though their nature of work is similar. Sonali Tea Estate became perhaps the first plantation in the country to remove wage differences between the sexes. This step was taken a year and half before the Equal Remuneration Act, which abolished wage differences on basis of sex, came into force (i.e., December 1975).

On September 4, 1974, the workers formed the co-operative society. The plantation showed a marked improvement when the cooperative managed it. Inputs of fertilisers, pesticides and weedicides were increased and the workers took greater care in maintaining the tea bushes. The co-operative also increased the area under tea by ten acres, which cost Rs 40,000. These steps helped in increasing production. The average annual production of this tea plantation was 8,50,000 kg of green leaves and its highest recorded yield in the past had been 9,00,000 kg. However, in 1977, it recorded a yield of 10,43,000 kg of green leaves.

The conditions of the workers also improved. Their income increased by 50 per cent because the co-operative was more liberal in granting monetary incentives. The amounts spent on medical facilities, house repairing and maintenance, water supply and sanitation were double that of what was spent by the previous management. Hence, under the co-operative, the condition of the plantation as well as its workers

showed marked improvement.

It should be noted that all the above-mentioned development activities were carried out by the co-operative's income from the sale of green leaves. It received no loan, subsidy or grant from any source. At the same time, by 1977, the co-operative was able to accumulate savings of Rs 7,00,000 in the Central Co-operative Bank at Jalpaiguri.

Another important feature is that the plantation was run exclusively by the workers and without the help of professional management. The entire management of the plantation was done by its tribal workers with guidance from its union. The cooperative was managed by a board of directors comprising nine elected members. The board met atleast twice a month when it took stock of the work done and planned the future course of action. In fact, all matters concerning the immediate problems of the garden were discussed by the board.

In order to ensure greater participation in management, atleast seven directors were changed at each annual general meeting. This practice encouraged more members to take part in the decision-making process. The composition of the different boards of directors show that over the years there was greater representation of the ordinary workers. The committee which existed before the co-operative was formed had only one ordinary worker on it. All other members, apart from the general secretary, were from the supervisory staff (these people are also tribals). The co-operative's first board of directors had two members of the clerical staff, four from the supervisory staff and three workers, one of whom was a woman. The next board had one clerk, one supervisor and the rest were workers of whom three were women. This composition remained in the subsequent boards. A representative from the clerical staff was necessary because most of the workers and supervisors were illiterate, and they needed someone to note the minutes, deal with correspondence, etc.

The co-operative, on the suggestion of the union, decided to discard traditional methods of maintaining discipline, such as charge-sheets, show-cause notices, etc. Persuasion, rather than coercion would be used in disciplining erring workers. Whenever cases of indiscipline, such as slackness in work, negligence, etc., were reported, the directors would try to persuade the person involved to rectify his or her ways. Meetings in the labour lines were held quite frequently to convince the workers that the situation had now changed and that, since they were the owners, any harm done to the plantation would harm them as well. In cases where persuasion did not show results, the matter would be referred to the General Body of the workers. This body would review the problem and decide on what sort of corrective measures should be taken.

In policy decisions too, the General Body played an important role. Though the

board was the policy-making body, in matters such as formulation of the budget, plucking schedules and pruning chart, the opinion of the workers were sought. These acts increased the participation of workers in running the plantation and in spreading the notion of workers' control among them. Therefore, though the movement began as the workers' struggle for existence, it went beyond this sphere, and it strove to develop as a model for workers' control.

The success of the co-operative was, however, short-lived because the former owners, on seeing the plantation back in shape, decided to stage a come-back. They filed a suit in the Calcutta High Court challenging the validity of the co-operative. In July 1978, the co-operative had to hand over possession of the plantation to a court receiver. In December 1979, the court gave its verdict upholding the co-operative's registration and the co-operative regained its possession. Matters, however, did not end there as the former owners initiated more legal battles. The co-operative is at present involved in litigation over the ownership of the plantation and its operations have been stayed, by a court order, since late 1980, though it still holds possession of the plantation.

In spite of these legal hurdles, the workers have remained loyal to the co-operative. Since it has not been able to function all this while, the co-operative has no income, and it has been unable to pay the workers their wages for the past three years. The workers are therefore back to where they started, i.e., undergoing the same hardships as when the garden had been abandoned. The main difference between the present situation and the earlier one is that the workers now have an alternative. They can leave the co-operative and go over to the side of the so-called owners. The litigation will be withdrawn as the co-operative will have no basis to fight and, the former owners will gain control of the plantation. In this case, though the workers will lose control over the plantation they will get back their jobs. However, so far, the workers have decided to remain loyal to their co-operative and bear the accompanying hardships. This act itself shows how deep the ideas of co-operation and workers' control have penetrated among them. These tribal workers would rather starve than give up their new-found freedom.

One of the biggest disadvantages for the workers is that the government has remained totally indifferent to their plight. It could have helped save this experiment by taking over the plantation under the provisions of the Tea (Amendment) Acts of 1976 and 1983 which empower the state government to take over a sick unit for a period of ten years, irrespective of legal problems. The plantation could then be handed over to the cooperative. Or else, it could have initiated negotiations with the litigants on behalf of the workers so as to reach some settlement. The indifference of the state government is undoubtedly causing a great deal of harm to the workers and

to this unique experiment.

WORKER CO-OPERATIVES IN TRIPURA

The position of worker co-operatives in Tripura was, fortunately, better than in West Bengal. All the ten worker co-operatives had the support of the state government though of late, the new government has become hostile. The plantations are spread over the three districts of the state. These plantations are small in size and they have around a hundred workers each.

Tachai Tea Estate in North Tripura district is the first worker co-operative in the state which is registered as Tea Garden Workers' Co-operative Society Limited. It is a new plantation started in December 1978 by retrenched workers from neighbouring plantations. The other nine plantations were sick and three of them had been closed for more than a year. The co-operatives at Durgabari in West Tripura district and Ludua in South Tripura district were started in 1979, Lilagarh in 1982 and Darangdilla in 1983, the others were started in 1986. All these plantations are managed by their respective workers. The only non-worker members of each cooperative are the secretaries of their managing committees. These people are the local *CITU* leaders, and they were the organisers of the respective co-operatives. We shall discuss three of these co-operatives, i e, Tachai, Durgabari and Ludua.

The inspiration for starting Tachai Cooperative came from Shaktipada Chakravarty, the general secretary of the *CITU* affiliated Tripura Tea Workers' Union (*TTWU*). He initially organised a group of 85 workers into forming the co-operative, framed its bye-laws and later persuaded the government to grant it land. By the end of 1985, the co-operative had brought 100 acres of land under tea and had a labour force of 98.

Durgabari and Ludua tea estates had not been functioning for about two years prior to the formation of the co-operatives, and they were in a shambles. Their workers, like those in Sonali, had to undergo a great deal of hardship in eking out a living during this period. The formation of Tachai Cooperative inspired the trade union organisers in these two plantations to form worker cooperatives. They were able to impress upon the state government that worker cooperatives would be a more effective and economical method of restoring sick plantations than nationalisation. These two cooperatives were formed in the middle of 1979 and were named Durgabari Tea Estate Workers' Co-operative Society Limited and Ludua Cha Bagan Sharamik Samabay Samity. Durgabari Co-operative had 100 acres under tea of which 35 acres had been planted after the co-operative was formed. It had a labour force of 105, Ludua had 160 acres under tea of which 40 acres had been planted by the co-operative.

Its total labour force was 140. The above figures are for the year 1985.

A common feature in these three cooperatives is the economy in the use of government funds. Government support has ensured them grants, subsidies and loans. In most cases one can find that these resources are used indiscriminately and are even misappropriated. These co-operatives have shown a different attitude. Most of the aid and loans were used for development activities such as setting up plant nurseries, increasing the area under tea, planting fast growing varieties of tea bushes in the vacant patches, etc. The workers economised on their own expenses though they were more generous on development of their plantations. For example, all worker houses and the co-operatives' offices had walls of mud and bamboo with thatched roofs even though the co-operatives had been given low interest loans and subsidies for constructing houses of brick and cement. The amount saved under this head was diverted to extension and maintenance of the planted area. In addition to this, the workers of Durgabari Co-operative voluntarily accepted reduction in wages in 1983–84 in order to divert the amount saved for extension of the area under tea. The workers in Ludua put in an extra half-day of work every week without pay during April to July 1983 so that they could recover production losses. In Tachai, the co-operative was able to plant 85 acres of land with tea bushes during 1979–83 at a cost which was a little more than half the estimated cost. The original estimate formulated by the Tea Board of India in 1979 was Rs 12,00,000 but the co-operative spent only Rs 7,00,000 in completing the work.

In the field of production too, Durgabari and Ludua have shown much higher results as compared to their past. Tachai is a new plantation, and it has yet to reach its optimum yield. Durgabari produced only 27,000 kg of green leaves in 1980 but this increased to 80,000 kg, in 1983 and 1,20,000 kg in 1985. The figures for Ludua for these years were 55,000 kg, 1,10,000 kg and 1,40,000 kg, respectively. The yield per acre in these plantations, however, were still lower than the state's average because the old planted areas in these plantations were in a miserable condition and the co-operatives needed to put in considerable inputs to bring them back to shape. The bushes had been damaged and there were large vacant patches in the planted areas which needed to be filled with new bushes. The yield per acre is expected to increase after the development efforts of the co-operative bear results after a few years, because it takes atleast five years for a tea bush to reach its optimum yield.

Though these co-operatives are yet to break-even financially, they have been successful in making the workers participate actively in the activities relating to their management. This is largely due to the encouragement and guidance of their respective organisers. Each organiser took great pains to ensure that the ideas of joint ownership and workers' control reached the general workers. They held frequent meetings to

educate the workers on these aspects and encouraged them to voice their opinions on policy issues.

The methods of ensuring participation differed in each garden as each organiser kept experimenting with new ideas. In Tachai, the organiser encouraged the workers to have informal discussions on the development of the plantation. For instance, before deciding on the location of a new plant nursery, each director had discussions with groups of workers to know their opinions. Later, when the board of directors met, they put forth the views of the workers and held discussions on them before taking a final decision. In Durgabari, the organiser held weekly general body meetings where the problems of the plantation were discussed, These meetings were lively and the workers freely expressed their views.

The organiser for Ludua did not meet the workers as frequently as the others because he felt that workers should take decisions on their own and learn from their mistakes. He also felt that since the workers have been associated with the plantation for a long time, they have greater knowledge about its problems. Hence, if they are given a free hand, they could develop their own concept of management. The workers did make mistakes and, in the initial stage there was some indiscipline which had its effect on production. However, after a year or so the workers realised their mistakes and decided on corrective measures. For instance, the decision to put in extra work during their holidays was taken on their own, without consulting their organiser, Hence, the workers were able to develop a sense of responsibility from their own experience and without any prompting from outside.

CONCLUSION: SIGNIFICANCE OF IDEOLOGY

In order to assess the contribution of a co-operative to social change we have to consider its role in reducing social inequalities and in promoting a spirit of collective ownership. In the above cases of worker cooperatives we find that there is a broad democratic method of functioning which has encouraged participation of members in the activities of the co-operatives. These cooperatives have tried to evolve new methods, formal and informal, for involving the general workers in the decision-making process. The power relations in the co-operatives were structured in such a manner that all workers felt that they had equal authority while deciding on issues relating to management policy. This encouraged active participation of the workers and, at the same time, it prevented the concentration of power in a centralised bureaucracy. Had such a bureaucracy developed, it would have adversely affected participation.

The basis of these co-operatives are not merely joint ownership but equality of

ownership. Joint ownership can include large and small owners who have pooled in their resources to form a co-operative. Most agricultural co-operatives comprise this type of heterogeneous ownership. In such cases, there are greater possibilities of disintegration because the interests of large owners may not be the same as those of the small owners, even though formally there is functional equality among shareholders. What may happen in these cases is that those controlling larger productive resources tend to dominate by the sheer weight of their ownership. Worker co-operatives are different because here the members take over a unit without having individual ownership rights, and they manage it collectively. This provides greater scope for all sections of worker-members to participate in the cooperative's activities because their interests are not differentiated on the basis of ownership of productive resources.

These objective conditions are not sufficient to ensure participation. There could be other types of divisions among the members which could be a result of the distribution of power. It is possible that even in a worker co-operative some workers may become more influential because of the position they occupy in the organisational hierarchy or due to the patronage they receive from the dominant political forces. This is where we feel that the role of ideology becomes important in counteracting these tendencies. It was not by mere chance that power was not concentrated in the hands of a few members in these worker co-operatives. On the contrary, these co-operatives deliberately encouraged participation of all workers so as to diffuse the power structure.

The co-operative at Sonali changed the organisation of work in order to reduce the hierarchy. The workers realised that the traditional organisation was highly stratified and was suited for an authoritarian structure. All supervisory posts except the *dafadar* (gang leader) were abolished. The post of *dafadar* was retained because this was the lowest rank among the supervisors and these people were the ones who guided the workers in their work. The other supervisors were asked to do the work of ordinary workers, but they were paid their original wages. Hence, there was the managing committee which was vested with the overall supervision of the garden and below it were the *dafadars* and the workers. In the original work organisation there were five grades between management and workers. In the tea gardens in Tripura, organisation of work was not as elaborate because of the smaller size and fewer workers. However, the co-operatives then abolished the posts of supervisors and their managing committees performed this task.

In addition, the trade unions in all these co-operatives played an important role in encouraging the workers in their endeavours. These trade unions had Marxist orientation, and they believed that the working class would ultimately take over the means of production. They felt that they could practically demonstrate to the workers

the truth of their beliefs by forming worker co-operatives as their success would help build up the confidence of the workers in their ability to manage production. What was necessary here was not only a practical demonstration of their latent abilities but also a reorientation of their traditional ideas which had confined them earlier to their passive roles of following orders. The main task of the organisers was of attempting to break these ties of the past. In this sense, the objectives of these unions have been successful so far because they have been able to motivate the workers to challenge the supremacy of the capitalist class in the management of enterprises.

We can take the case of the co-operative in Assam to show that despite similar objective conditions, the management of cooperatives may not run on the same lines. The tea garden in Assam, Woka Tea Estate, was acquired by the Assam Tea Employees Co-operative Organisation Limited (*ATEICOL*) in October 1975. This cooperative organisation was formed in 1971 by trade unions owing allegiance to the Indian National Trade Union Congress (INTUC) and it has around 60,000 members, most of whom are tea garden workers. Based in Dibrugarh, *ATEICOL*'s main purpose was to carry and distribute foodgrains and medical supplies to the plantations, open cooperative stores and run small industries. It bought over Woka Tea Estate because it was running at a loss and was on the verge of closure. All 585 workers of this plantation are members of *ATEICOL*.

After *ATEICOL* took over Woka the plantation's condition improved rapidly. Till 1975 this tea garden had an annual production of 2,20,000 kg of made tea (i.e., around 9,90,000 kg of green leaves). Within a few years of the take-over, production increased to 3,00,000 kg (13,50,000 kg green leaves). The co-operative also extended 42 hectares of the garden's area under tea and overhauled its factory by installing new machinery. In addition, in 1985 a crash programme for providing better housing facilities for the workers was started and a deep tubewell was dug to provide drinking water to the workers. All this was managed with the minimum financial help. The garden's main source of finance was through *hypothecation* of its crop to a commercial bank. It had taken a loan of Rs 14,00,000 from NABARD¹⁶ which it has started repaying from 1987. Besides, this, the garden has received no loan or subsidy from any source.

However, in spite of this impressive record, the garden's main failure is the lack of participation by the workers in its management. The management structure has remained unchanged, with a professional manager at the top issuing orders to workers who remain passive recipients. The workers are not aware that they are co-owners of this venture and neither *ATEICOL* nor their union seem eager to make them understand the changed situation. It would seem to them that a more efficient management

¹⁶National Bank for Agriculture and Rural Development.

has taken over. This defeats to some extent the basic purpose of a co-operative. There is a clear difference between ownership and control and hence we find that though the condition of the garden and its workers have improved, the co-operative has not helped in changing the outlook of the workers. The ideological motivation of the other co-operatives is obviously lacking in this case.

Plantation workers are the most backward section of the workers in the organised sector. Plantations are spread out and isolated, giving the workers little opportunity to interact with the outside world. The workers' level of literacy is low and so is their wages. The average monthly wage of a tea garden worker is around Rs 400, which includes all allowances and subsidies. This is less than one-third of a coal miner's wage. Yet we find cases of successful worker co-operatives in this industry. In fact the experiences of the workers in these co-operatives show that even illiterate and backward workers are capable of managing their own affairs when given the opportunity and the ideological motivation. These workers, for whom servility and submission to the authority of their managements had almost become a way of life, have been able to manage their plantations more efficiently than most professional managements. Even the present setback of the Saongaon co-operative is an indication of its success because had it failed the former owners would not have made a bid to displace it. The commitment of the workers to their co-operative during this critical period is again largely shaped by the ideological commitments of the co-operative. The co-operatives in Tripura will be facing a similar situation because the state government has stopped all finances to them.¹⁷ This will be another test to show the ideological commitment of these workers.

¹⁷The chief minister announced this in the Assembly on July 20, 1988.